

Fast Facts on the California Economy: June 2011

Compiled by: Assembly Committee on Jobs, Economic Development, and the Economy
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California's economy is one of the ten largest in the world with a 2010 gross state product (GDP) of \$1.9 trillion.¹ In June, the California unemployment rate increased to 11.8% (seasonally adjusted), representing an estimated 2.13 million unemployed workers in California. U.S. unemployment increased to 9.2%, up 0.1% from May.²

California's Global Economy

- In 2010, California's total GDP was \$1.9 trillion, as compared to the U.S. total GDP of \$14.5 trillion.³
- If California were a country, its 2010 GDP would place it 9th in the worldwide GDP ranking as follows: United States (\$14.5 trillion), China (\$5.87 trillion), Japan (\$5.49 trillion), Germany (\$3.30 trillion), France (\$2.56 trillion), United Kingdom (\$2.25 trillion), Brazil (\$2.09 trillion), Italy (\$2.05 trillion), India (\$1.73 trillion), Canada (\$1.34 trillion) the Russian Federation (\$1.48 trillion), and Spain (\$1.41 trillion).⁴
- 3,825,637 foreclosures were filed on a record 2,871,891 California properties, an increase of nearly 2% from 2009 were reported in the RealtyTrac 2010 Year End Report. As of May 2011, California has 278,256 foreclosure properties.⁵

Job Market

- In June 2011, there were 14,068,600 jobs in California's nonfarm industries, as compared to 13,911,800 in May 2010. California nonfarm payrolls increased 28,800 in June following a 21,100 job loss in May and 14,900 job gain in April.⁶ UCLA's Andersen Forecast predicts "a continuing period of slow growth with stress in the labor markets."⁷
- Sectors with increased employment in June were: professional and business services (16,400); educational and health services (9,400); leisure and hospitality (4,900); manufacturing (4,900); information (3,000); other services (1,300); and financial activities (1,000).⁸
- Sectors that lost jobs in June were: trade, transportation and utilities (11,000) and construction (1,100).⁹
- In June 2011, California nonfarm businesses were up 28,800 jobs (0.2%) from the prior month, as compared to an increase of 156,800 jobs (1.1%) nationwide.¹⁰
- From June 2010 to June 2011, nonfarm jobs rose in eight of the 11 major industry sectors: information (6.5%); professional and business services (3.2%); educational and health services (2.8%); leisure and hospitality (2.3%); construction (1.4%); manufacturing (1.3%); trade, transportation and utilities (0.7%); and mining and logging (0.4%).¹¹

Unemployment May 2011. *The following figures are not seasonally adjusted (as compared to the seasonally adjusted unemployment number above. Monthly unemployment numbers by their nature are not seasonally adjusted.)*¹²

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| • Statewide: 12.1% (Down from 12.2% in 2010) | • Los Angeles County: 12.4% (Unchanged from 2010) |
| • Alameda County: 10.9% (Down from 11.4% in 2010) | • Riverside County: 14.4 % (Down from 14.5% in 2010) |
| • Colusa County: 19.1% (Up from 17.9% in 2010) | • Sacramento County: 12.6 % (Down from 12.7% in 2010) |
| • Contra Costa: 11.0% (Down from 11.2% in 2010) | • Santa Clara County: 10.3% (Down from 11.2% in 2010) |
| • Fresno County: 16.8% (Up from 16.0% in 2010) | |
| • Imperial County: 28.5% (Down from 28.8% in 2010) | |

Foreign Investment & U.S. Based Subsidiaries

- California has the highest rate of employment by U.S. subsidiaries of foreign companies.¹³
- In 2009, insourcing companies employed 594,100 Californians and accounted for 4% of the state's total private sector employment.¹⁴ More than 32% of all subsidiaries in California are in the manufacturing industry and account for 193,300 jobs.¹⁵

Energy Market

- In 2008, California produced 13% of the natural gas¹⁶, 38% of the crude oil¹⁷, and 68% of the electricity¹⁸ it consumes. The remaining electricity and natural gas was purchased from Canada, the Pacific Northwest, the Rocky Mountain States and the Southwest. Remaining crude oil was imported from Alaska and abroad.¹⁹
- In 2009, 56.7% of California's electricity came from burning natural gas, 15.3 % from nuclear fission, 12.2% was generated in large hydroelectric dams, 13.9% from renewable sources, and 1.8% came from coal.²⁰
- In 2007, California's renewable energy came from geothermal (4.5% of total electricity)²¹, wind (2.3%)²², waste-to-energy and biomass (2.1%)²³, and solar (0.22%)²⁴ sources.
- The West Coast price for Alaskan North Slope crude oil peaked at \$125.48 per barrel on April 29th, but has since decreased to \$115.30 per barrel as of July 13, 2011. This is \$37.80 higher than July 2010.²⁵
- Reformulated gasoline production in California for the week ending July 8th decreased 6.5% from the previous week to 6.6 million barrels, remaining within the five-year range and 4% higher than a year ago. Inventories for California reformulated gasoline decreased 3.4% and but remains within the five-year range.²⁶

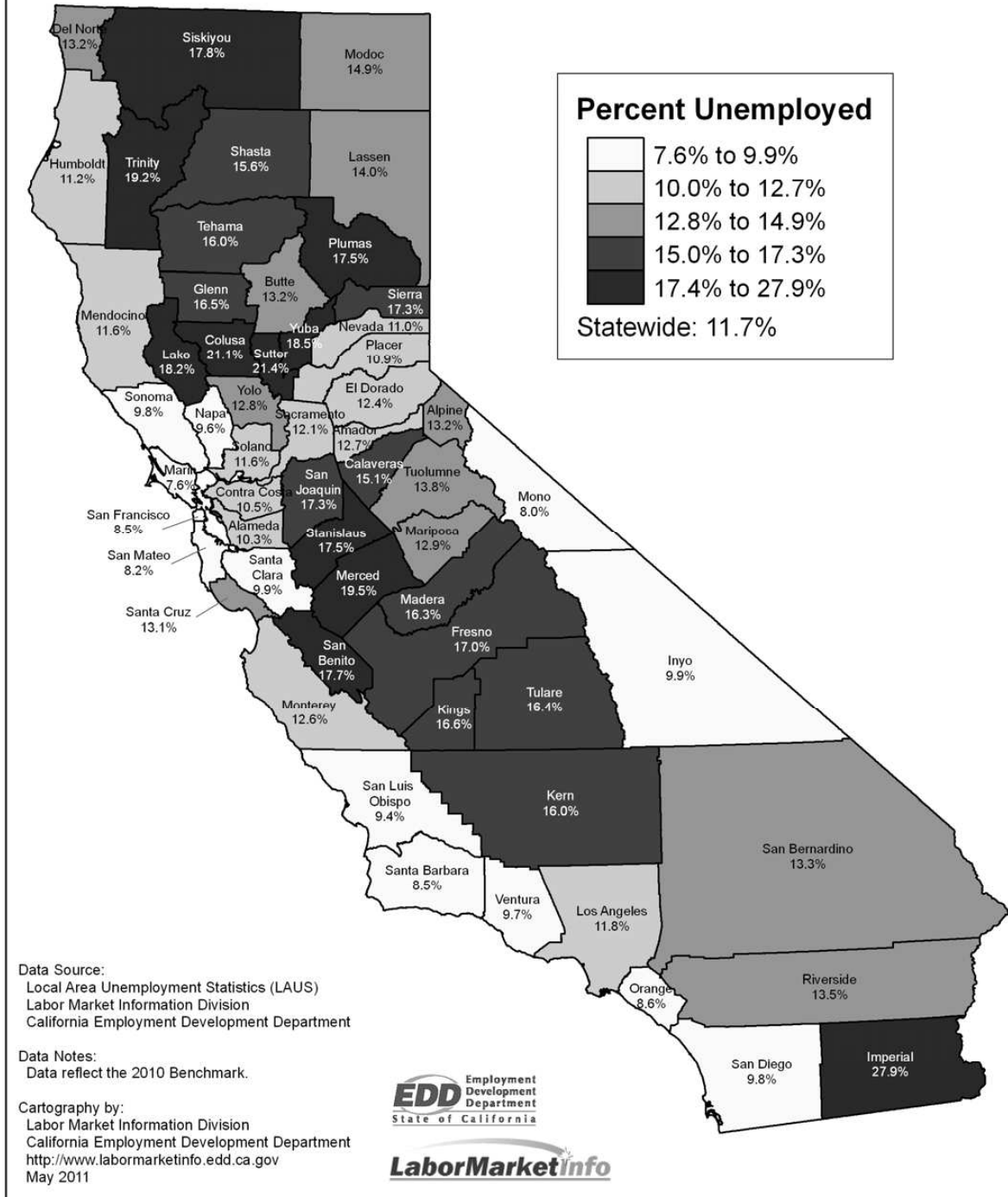
California's Innovation Economy

- California ranks 4th among the 50 states in science and technology. Other top states include Massachusetts (1st), Maryland (2nd), Colorado (3rd), Utah (5th), Washington (6th), and New Hampshire (7th). The Milken Science and Technology index ranks states based on research and development dollars, number of patents issued, venture capital investment, and business starts.²⁷
- California ranked 1st among 50 states in patents issued in 2010 with 30,080 patents granted. Other top performing states include New York (8,095 patents), Texas (8,027 patents), Washington (5,810 patents), and Massachusetts (5,261 patents).²⁸
- California ranks 3rd in start-ups and 1st in new branches in high-tech manufacturing. Other top ranking states include Florida, Texas, and Washington for start-ups and Texas, Florida, and Washington for new branches.²⁹
- The Milken Institute ranks the University of California System first in technology transfer and commercialization among all U.S. universities. The California Institute of Technology and Stanford University are ranked among the top ten.³⁰

California Trade and Foreign Investment Activity

- California's export shipments of merchandise totaled \$143.3 billion in 2010, up from a total of \$120.1 billion in 2009.³¹ If the value of services were added to the export of products, it is likely that California would rank first in total exports among the 50 states.³²
- Exports supported roughly 616,500 California jobs in 2010.³³
- In 2010, the state's leading export category was computers and electronic products, accounting for \$43.1 billion of California's total merchandise exports. Other top merchandise exports include machinery manufacturers (\$14.5 billion), transportation equipment (\$13 billion), chemical manufacturers (\$11.6 billion), and miscellaneous manufacturers (\$11.5 billion).³⁴
- Exports from California accounted for 11.2% of total U.S. exports in 2010.³⁵
- Small and medium-sized firms generated more than two-fifths (44%) of California's total exports of merchandise in 2008, well above the 31% export share nationally.³⁶
- California's top four export markets in 2010 were Mexico (\$21.0 billion), Canada (\$16.1 billion), China (\$12.5 billion), and Japan (\$12.2 billion).³⁷
- Exports to China have grown more rapidly than those to Japan. In the first quarter of 2011, state exports to China (\$3.4 billion) exceeded those to Japan (\$3.2 billion) for the first time in California trade history. Exports to Japan have grown by \$200 million over the past year (\$3 billion in 2010 to \$3.2 billion in 2011).³⁸
- California's export of goods totaled \$13.2 billion in May 2011, up \$1.3 billion from May 2010, marking the eighteenth consecutive month of year-over-year increases in California trade, according to an analysis of today's U.S. Commerce Department trade figures by Beacon Economics.

April 2011 (Not Seasonally Adjusted)



Compliments of Assemblyman V. Manuel Pérez

This document reflects the most recent employment data. EDD releases monthly employment data mid-way in the following month.

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- ⁵ <http://www.realtytrac.com/ContentManagement/Library.aspx?ChannelID=9&ItemID=17763> The California Foreclosure Watch, 1/12/11, accessed 07/18/11 - <http://www.realtytrac.com/states/california.html>, accessed 07/18/11
- ⁶ <http://www.calmis.ca.gov/file/lfmonth/Calmr.pdf>; California Employment Development Department, "California Labor Market Review," June 2011; accessed 07/26/11
- ⁷ http://www.uclaforecast.com/contents/archive/2011/media_61511_1.asp; UCLA Andersen Forecast June, 2011 Press Release, June 15, 2011, accessed 07/18/11
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